

**Joint Legislative Oversight Committee for Health & Human Services, Oct. 11, 2011**  
**Dana Ramsey, Wake County resident, VP of Operations, Childcare Network**

Childcare Network – Who are we?

We serve 7,000 children in 60 locations in 20 counties across the state, including:

- Buncombe, Wake, Durham, Lee, Alamance, Cumberland, Mecklenburg, New Hanover, Onslow, Craven, Bladen, Forsyth, Randolph, Guilford, Brunswick, Lincoln, Gaston, Union, and Carteret (also serve children from Pamlico, Pender, Henderson, and Orange Counties).

We have participated in providing More at Four since the pilot phase, and currently serve 800 NC Pre-K children in 24 licensed facilities in 13 counties.

Half of our licenses are 5-star, and all of the remaining are 4-star except for three.

We employ 1,200 people in the state.

Private providers are a viable and necessary part of the NC Pre-K solution.

We have always been a large part of the program. Last year, over 30 percent of the More at Four slots were housed in private sites.

We believe that North Carolina will have greater success in preparing more at risk 4 year-olds for kindergarten with the support and involvement of licensed private sector child care providers. Because of our decades of experience, we can provide valuable information to facilitate meaningful, positive changes that will help the state maximize its investments to help more children with limited tax dollars – without sacrificing quality.

**CONSIDER THIS:**

- Licensed providers are already serving over 78,000 at-risk non-NC Pre-K children of all ages in our state, and there is the capacity to serve more.
- My company is presently 76% utilized and there are thousands of identified spaces in high-quality centers across the state.
- Waiting lists for all programs and ages prove that the needs remain high.

Existing Relationships

There are existing relationships between the regulating entities and private providers. Regular licensing, health and sanitation, fire, and building inspections are built into our operations. There is a synergy between DCDEE and providers that has developed over time that serves NC families well, and is exemplified by the success of the recent transition of NCPK from DPI to DCDEE just before the start of school this year.

Private childcare options mean more parental choice, which is good for children, families, and our state's economy, and parents choose private providers every day.

Our centers are small, medium- and large-sized businesses that have shown over time that they can operate effectively and efficiently. After all, that is what it takes to stay in business. We efficiently deliver high quality services that people want or need and keep coming back for.

Why are licensed private providers good for NC children and families?

- We have long been the “incubator for primary education.”
- We have contributed significantly over the years to helping North Carolina gain national acclaim for its programs, whether that be More at Four, Smart Start, or the star-rated license system.
- Our focus has been and continues to be on the WHOLE CHILD, whole family health and support, and fostering strong community connections. For young families, we are often the hub of available resources and parent training.
- Parent involvement and responsibility is higher in our centers - most parents we see every day. It is a true partnership.
- Our teachers and our staff are highly qualified, trained professionals, who are evaluated annually based on their classroom performance, not just years of service.
- Many parents of Pre-K children need full-day services. We provide consistency of care for families, serving all of their young children in one environment and providing year round, full-day care for children without the need for transporting mid-day.
- Private childcare options give parents more choices for their very young children - parent choice is good for children, families, and our state’s economy.
- We are more prepared than ever for expansion of NC Pre-K services with higher standards, lower ratios and more education.
- Additionally, the implementation of the star-rated license and the use of the Environment Rating Scales have made us a model for the country. We are one of the most regulated industries in the state. These well-established systems ensure safe, healthy learning environments for pre-kindergarten children.

What is working and what still needs to be addressed as we move forward together:

DCDEE has done a great job under extremely tough circumstances to find and place children in a shorter period of time. Also, in many counties across the state, NC Pre-K is getting much needed additional support through our Smart Start partnerships, which are providing, in many cases: enhanced rates, additional resources, monitoring classroom quality, and helping identify children’s needs.

On the other hand, here are a couple of areas that I believe need to be addressed as we move forward:

- Currently, there are still too many independent systems for placement of children and selection of sites and spaces.
- There are too many areas where local entities raise the program requirements when they cannot adequately fund the costs related to these expectations.

**To be clear – the extent to which child care providers are forced to incur cost increases or reduce available revenues, for providing services to at-risk children without additional resources determines the extent to which the cost of care increase for everyone.**

What can we do together to improve early child care and education?

- Setting standards that apply statewide to all providers equally will benefit children, families and local economies by helping ensure a consistent level of quality across the state AND by giving private providers the certainty that they need to invest and grow their businesses.
- We need to reduce the level of subjectivity involved in decision making county by county.
- We need to clarify the roles of the local committees and get them focused more on the WHAT and less on the HOW. In other words, they should not be making business decisions for providers or impeding the ability to manage effectively.
- Lastly, the processes for changes in the child care arena, whether it is expansion or new standards, need to be fair and balanced from the beginning. Everyone should be at the table.

Economic Impact of the Child Care Industry

In closing, I will emphasize today, perhaps more than ever, that the child care industry is critical to the economic viability of NC families. In the majority of NC households, parents are working, and affordable, high quality childcare is simply a necessity.

In addition, having lots of high-quality affordable child care choices for employers and employees is a vital economic development tool for North Carolina.

Finally, I will cite a recent economic impact study that cites the child care industry's \$1.7 billion impact on the state's economy, along with the 50,000 jobs it provides. (Insight Center for Community Economic Development with the help of the NC Partnership for Children)

Serving four-year-olds has become a large part of the business model for many private providers. There are many providers that would cease to exist without their 4-year-old classrooms, which would negatively impact not only children, families and local economies, but also the success of the state's NC Pre-K program and high quality services for younger children.

As a member of the NC licensed child care community, I am ready and willing to work with you to solve our most pressing pre-kindergarten challenges and am confident that my colleagues are as well. I appreciate you hearing from us today.